



RETIREMENT BENEFIT PLANS SUMMARY FOR GENERAL SCHEDULE EMPLOYEES (NON-PUBLIC SAFETY)

(Deputy Sheriffs, Medics, and Fire Marshals have a separate summary)

Administered by the Finance Department Pension Administration Division

Kadira Coley Retirement Administrator 703.746.3879	Arthur Lynch Retirement Specialist 703.746.3885	Theresa Nugent Public Information Specialist 703.746.3887	Bryan Capelli Retirement Specialist 703.746.3882	Sergey Zelensky Retirement Specialist 703.746.3886
<div style="display: flex; justify-content: space-between;"> <div> Pension Administration Division 301 King Street - City Hall Room 1400 Alexandria, VA 22314 </div> <div> Internal mail: City Mailbox 42 Fax 703.746.3943 </div> </div> <p>Walk-In Hours: Monday, Wednesday, and Friday 11:30 a.m. – 2:00 p.m. Please call for an appointment at other times or to discuss retirement.</p>				
<p>Intranet for employees - AlexNet (Departments/Finance/Pension Administration Division); and 2) City website - alexandriava.gov/retirement</p> <p>Web sites have plan information, including plan documents, for all of the City retirement and 457 Deferred Compensation Plans.</p> <p>Pre-recorded retirement related information: 703.746.3906</p>				

This document summarizes retirement plans that General Schedule employees may be eligible to participate in while working for the City. The section on each plan covers the eligibility requirements for that plan. These plans are covered in this summary:

1. Virginia Retirement System (VRS) retirement plans – **mandatory for regular, full-time employees (part-time employees are not eligible)**
2. City of Alexandria Supplemental Retirement Plan – **mandatory for regular, full-time and regular, part-time employees**
3. City of Alexandria 457 Deferred Compensation Plan – voluntary plan, payroll-deducted pre-tax retirement savings
4. Payroll Deduct Roth IRA with ICMA-RC – voluntary plan, payroll-deducted after-tax retirement savings

The VRS retirement plans include:

- **Hybrid Retirement Plan** provides retirement benefits for regular, full-time employees:
 - a. who are newly covered by VRS on or after January 1, 2014; or
 - b. employees who were rehired by the City on or after January 1, 2014 who had prior VRS service that was refunded to the employee after leaving VRS-covered employment.

NOTE: The City does not participate in the Virginia Local Disability Program (VLDP) option under the Hybrid Retirement Plan because the City offers disability benefits under other City plans. Those disability plans are administered by the City Human Resources Department.

- **Plan 1** provides retirement benefits for regular, full-time employees who were covered by VRS prior to July 1, 2010 and who were vested prior to January 1, 2013
- **Plan 2** provides retirement benefits for regular, full-time employees:
 - a. who were covered by VRS after June 2010 but prior to January 1, 2014; or
 - b. who were newly hired by the City December 2-31, 2013; or
 - c. who had a status change from part-time to full-time after June 2010 but before January 1, 2014; or
 - d. who were Plan 1 members, but who were not vested prior to January 1, 2013.

The City does not participate in the other programs that VRS offers including: *enhanced benefit program for hazardous duty employees, the Virginia local Disability Program (VLDP), the Virginia Sickness and Disability Program (VSDP), optional life and health insurance, or the VRS 457 and Cash Matched Plans for state employees.*

Visit the VRS web site, www.varetire.org, for additional information. Member Handbooks for Plan 1, Plan 2, and the Hybrid Retirement Plan can be found under Publications. Be sure to view the correct section for your plan.

VRS is responsible for determining which plan an employee is a member. Employees may view this information when logging onto myVRS on the VRS website, www.varetire.org. Employees may also call VRS at 888.827.3847 for this information.

Virginia Retirement System (VRS) HYBRID Retirement Plan

Employees hired into a full-time position after January 1, 2014, participate in the VRS Hybrid Retirement Plan.

Employees hired after January 1, 2014, with prior VRS service that was not refunded may be covered under VRS Plan 1 or Plan 2. The summary for VRS Plan 1 and Plan 2 is later in this benefit summary.

Employees may call VRS at 888.827.3847 or log onto www.varetire.org to determine their VRS plan.

Virginia Retirement System (VRS) Employer ID 55200 Hybrid Retirement Plan Information

Visit the VRS website, www.varetire.org for detailed information on the Hybrid Retirement Plan.

The Hybrid Retirement Handbook for Members can be found under the link for Publications.

This summary is only for members of the VRS Hybrid Retirement Plan. The Hybrid Plan covers employees who were hired as a regular, full-time employee or transferred to the status of regular, full-time employee on or after January 1, 2014.

Employees who have service under VRS Plan 1 or VRS Plan 2 should skip this section and proceed to the next section on VRS plans for Plan 1 and Plan 2 members.

Visit VRS website, www.varetire.org for more details on the VRS retirement plans and the benefits.

The Hybrid Retirement Plan has **two components** because the plan combines the features of a defined benefit plan and a defined contribution plan. The plan covers most members hired on or after January 1, 2014.

- The **defined benefit retirement component of the Hybrid Plan** provides monthly benefits beginning at retirement. The benefit is calculated using a formula that considers your age, creditable service and average final compensation.
- The **defined contribution component of the Hybrid Plan** provides additional benefits at retirement. The value of the benefit depends on the amount of contributions that the employee and employer make to the plan as well as the investment performance on the funds that the employee chooses to invest the contributions. Contributions go into two accounts:
 1. **Hybrid 401(a) Cash-Match Plan account** – receives mandatory employee and all employer contributions
 2. **Hybrid 457 Deferred Compensation Plan account** – receives employee voluntary contributions

(Both of these accounts are administered by ICMA-RC on behalf of VRS.)

Eligibility	You are in the Hybrid Retirement Plan if you were hired into a regular, full-time position covered under VRS on or after January 1, 2014. Participation is mandatory.
VRS Membership Date	<ul style="list-style-type: none"> • The first of the month hired if begin work <u>on the first working day</u> (Monday-Friday) of the month. • The first of the following month if begin work <u>after the first working day</u> of the month hired.
<p>Contributions by Employee and Employer</p> <p><i>See also the chart, VRS Hybrid Retirement Plan Contribution Rates for DB and DC Components, which follows this section.</i></p>	<p>Your retirement benefit is funded through mandatory and voluntary contributions made by you and your employer to both the defined benefit and the defined contribution components of the plan. A chart appears at the end of the section which also summarizes the contribution information.</p> <ul style="list-style-type: none"> • The City contributes a total of 9.81% of base salary toward your VRS retirement benefit. • You contribute a minimum of 5% of base salary toward your VRS retirement benefit. <ul style="list-style-type: none"> • 4 percent goes to the defined benefit component of the plan each month; • 1 percent of your contributions and 1 percent of the employer contribution goes to the defined contribution component each month; • Employees may contribute up to additional 4 percent (in 0.5 percent increments) in voluntary contributions to the defined contribution component each month; <ul style="list-style-type: none"> • Your employer matches the first 1 percent of your voluntary contribution with a corresponding contribution of 1 percent; • Each additional 0.5 percent increase is matched by your employer with a 0.25 percent contribution. <p>With the mandatory and voluntary contributions you can contribute a maximum of 5 percent a month to the defined contribution component, with a 3.5 percent match from your employer. You may choose the investment options that best fit your needs from a variety of choices and may increase or decrease your voluntary contributions quarterly.</p> <p>There will be an automatic escalation of the amount of voluntary contributions every three years. VRS will provide more information in 2016 before the first auto escalation on January 1, 2017.</p>
Role of Investments	<p>Defined Benefit: VRS invests all contributions. Your benefit is not affected by investment returns because a formula is used to calculate the benefit.</p> <p>Defined Contribution: You choose how the contributions will be invested from a range of options. You bear the investment risk. Your account balance at retirement will depend on the amount you and the employer contribute and net investment earnings provided by your investments.</p>

Creditable Compensation	Annualized salary divided by 12 months equals monthly creditable compensation. Excludes overtime, shift differential, bonuses, or other special pay.
Vesting	<p>Defined Benefit: Vesting is the minimum length of service you need to qualify for a retirement benefit, if you meet the age and service requirements of the plan. You are vested under the defined benefit component of the Hybrid Retirement Plan when you accrue five years (60 months) of creditable service. The benefit is paid out as a monthly benefit for life.</p> <p>Defined Contribution: Vesting is the minimum length of service members need to be eligible to withdraw employer contributions from the defined contribution component of the plan.</p> <ul style="list-style-type: none"> You are always 100% vested in the contributions that you make. Upon retirement or leaving covered employment, you are eligible to withdraw a percentage of employer contributions. <ul style="list-style-type: none"> After two years, you are 50% vested and may withdraw 50% of employer contributions. After three years, you are 75% vested and may withdraw 75% of employer contributions. After four years, you are 100% vested and may withdraw 100% of employer contributions. Distribution is not required by law until age 70½.
Normal Retirement Age	<p>For the defined benefit component, same as the Social Security Normal Retirement Age (age 66 – 67 depending on date of birth) with five years of service.</p> <p>For the defined contribution component, you are eligible to receive distributions upon leaving employment, subject to restrictions. Distribution is not required by law until age 70½. See www.varetire.org.</p>
Eligibility for Unreduced Retirement Benefits	<p>Under the defined benefit component of the plan, you are eligible for an unreduced monthly retirement benefit when you reach your normal Social Security retirement age and have at least five years (60 months) of creditable service, or when your age and service equal 90. <i>Example:</i> Age 60 with 30 years of creditable service.</p> <p>For the defined contribution component, you are eligible to receive distributions upon leaving employment, subject to restrictions. See www.varetire.org</p>
Eligibility for Early Reduced Retirement Benefits	<p>Under the defined benefit component of the plan, you are eligible for a reduced monthly retirement benefit when you are at least age 60 with at least five years (60 months) of creditable service.</p> <p>For the defined contribution component, you are eligible to receive distributions upon leaving employment, subject to restrictions. See www.varetire.org.</p>

This is a summary of retirement benefits. The provisions of the plan documents will prevail in any instances where this summary differs from the plan document.
Plans are subject to change.

Revised 06/22/2015

How Your Benefit is Calculated	<p>You will receive a monthly benefit from the defined benefit component that is based on the formula shown below. Additionally, the defined contribution component provide a balance of money that will be determined by contributions made by you and any matching contributions made by your employer, plus net investment earnings on those contributions.</p> <p><u>Defined Benefit Formula</u></p> $\text{Retirement multiplier} \times \text{Average Final Compensation} \times \text{total years of creditable service} = \text{Annual retirement benefit amount} \div 12 = \text{Monthly benefit amount before taxes}$ <p><u>Defined Contribution Balance at Retirement</u></p> $\text{Employee and employer contributions} + \text{net investment earnings} = \text{defined contribution benefit}$ <p>Distribution options are flexible and may be changed over time. Distributions are subject to taxes.</p>
Retirement Multiplier	The multiplier for the defined benefit component is 1.0%.
Average Final Compensation (AFC)	Your average final compensation (AFC) is the average of your 60 consecutive months of highest creditable compensation as a covered employee.
Creditable Service	<p>Under the defined benefit component of the plan, you earn creditable service for each month you are employed in a covered position and a member of the plan. It also may include credit for prior service you may have purchased or additional creditable service you were granted such as for being called to active military duty.</p> <p>Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.</p>
Example of Retirement Benefit Calculation	<p>Example: the member is retires at age 60 with 30 years of creditable service. The member's average final compensation is \$50,000.</p> $1\% \times \$50,000 \times 30 = \text{Annual benefit amount} = \$15,000 \div 12 \text{ months} = \$1,250$ <p>Monthly benefit amount before taxes and other deductions = \$1,250 from defined benefit component PLUS</p> <p>30 years of defined contributions plus earnings from the defined contribution component</p>

Cost-of-Living Adjustment (COLA)	For defined benefit component, varies depending on age retire and years of service accrued. See www.varetire.org . The COLA is not applicable to the defined contribution component.
Purchase of Prior Service	You may be able to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in your plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, you must purchase your most recent period of service first. You also may be eligible to purchase periods of leave without pay; contact the Pension Administration Division office for more information. You are not eligible to purchase prior service if you are 1) employed in a non-covered position, 2) a deferred member, or 3) a retiree. See www.varetire.org for more details.
Disability Retirement	The Hybrid Plan does not provide disability retirement benefits for City employees. The City does not participate in the Virginia Local Disability Program (VLDP) because the City offers disability benefits through other City Plans. Contact the Human Resources Department for more information on these benefits.
VRS Contact Information	Website: www.varetire.org Customer Contact Center: 1-888-VARETIR (827-3847) 8:30 a.m. – 5:00 p.m. Monday - Friday

Defined Contribution Component

Information on Investing, Changing Your Voluntary Contributions, or Using the System for the Defined Contribution Component

- Visit the VRS website, www.varetire.org, and click on the Defined Contributions tab.
- Under Member Hybrid Retirement Plan click on Hybrid Retirement Plan.
 - In the upper right hand corner click on Plan Info and then Role of Investments to view more information.
 - You can also click on Education to view Learning Opportunities and contact information for the Plan Specialists.

For assistance with your VRS Hybrid Defined Contribution accounts, please contact the specialist for Northern Virginia, Steven Scott. Email: SJScott@icmarc.org Telephone: 1-855-553-3088.

VRS Hybrid Retirement Plan Contribution Rates for DB and DC Components

Line 1 reflects employees making the required 5% contributions to VRS. Lines 2 – 9 reflect employees making additional voluntary contributions.

	Total Contributions			Defined Contribution Contributions TO ICMA-RC						Defined Benefit Contributions TO VRS	
	A	B		C	D		E	F		G	H
	Employee	Employer									
1	5.00%	9.81%		1.00%	1.00%		0.00%	0.00%		4.00%	8.81%
2	5.50%	9.81%		1.00%	1.00%		0.50%	0.50%		4.00%	8.31%
3	6.00%	9.81%		1.00%	1.00%		1.00%	1.00%		4.00%	7.81%
4	6.50%	9.81%		1.00%	1.00%		1.50%	1.25%		4.00%	7.56%
5	7.00%	9.81%		1.00%	1.00%		2.00%	1.50%		4.00%	7.31%
6	7.50%	9.81%		1.00%	1.00%		2.50%	1.75%		4.00%	7.06%
7	8.00%	9.81%		1.00%	1.00%		3.00%	2.00%		4.00%	6.81%
8	8.50%	9.81%		1.00%	1.00%		3.50%	2.25%		4.00%	6.56%
9	9.00%	9.81%		1.00%	1.00%		4.00%	2.50%		4.00%	6.31%

Notes

- VRS Hybrid 457 account is a separate plan from the City of Alexandria 457 Deferred Compensation Plan also administered by ICMA-RC
- DB = Defined Benefit component
- DC = Defined Contribution component
- Employee Voluntary contributions can be changed quarterly (January 1, April 1, July 1, October 1). Employee must enter change in VRS by March 15, June 15, September 15, or December 15 to be effective the following month.

**Retirement Plan Contributions for Regular, Full-time General Schedule Employees Hired After January 1, 2014
Participating in Virginia Retirement System (VRS) Hybrid Retirement Plan**

A. Mandatory Retirement Plans	Required or Voluntary Contributions	Pre-tax or After-tax Deduction	Employee Contribution Percentage	City* Matching Contributions	Deduction Name on Paycheck
1) City of Alexandria Supplemental Retirement Plan	Required	Pre-tax	2%		SUPP Ret 2%
2) Virginia Retirement System Hybrid Retirement Plan (VRS) a) Defined Benefit Component b) Defined Contribution Component <i>Total Required VRS Hybrid Contributions</i>	Required Required	Pre-tax Pre-tax	4% 1% 5%	1%	VRS HY DB VRS HY DC
c) Voluntary Contributions to VRS Hybrid 457 Deferred Compensation Plan	Voluntary	Pre-tax	0.5 – 4%	0.5% - 2.5%	VRS 457 DC
Total <u>Required</u> Employee Contributions			7%		
<i>Total <u>Voluntary</u> Contributions allowed</i>			<i>Up to 4%</i>		

B. Voluntary Retirement Savings Plans					
3. City of Alexandria 457 Deferred Compensation Plan	Voluntary	Pre-tax	Up to \$18,000 * in 2015 \$24,000 if 50 or older		ICMA \$ Amount Or ICMA %
4. Payroll Deduct Roth IRA Account with ICMA-RC	Voluntary	After-tax	Up to \$5,500 or \$6,500 if 50 or older		ICMA Roth

In FY 2015, the City contributes a total of 9.81% to VRS and 3.3% to the Supplemental Retirement Plan for employees' retirement benefits. Some of the employer contributions are designated as matching contributions.

*Total contributions to all 457 plans – both the City 457 and VRS Hybrid 457 – cannot exceed \$18,000 in 2015.

*This is a summary of retirement benefits. The provisions of the plan documents will prevail in any instances where this summary differs from the plan document.
Plans are subject to change.*

Revised 06/22/2015

Virginia Retirement System (VRS)

Plan 1 and Plan 2

Employees hired into a full-time position prior to January 1, 2014 may be in VRS Plan 1 or Plan 2.

Employees who were hired into a full-time position prior to July 1, 2010, and who have five years of VRS service as of December 31, 2012, may be VRS Plan 1 members. Employees hired into a full-time position after June 30, 2010, but before January 1, 2014, may be covered under VRS Plan 2.

Employees may call VRS at 888.827.3847 or log onto www.varetire.org to determine their VRS plan.

Virginia Retirement System (VRS) Employer ID 55200 Plan 1 and Plan 2 Information

The following information applies only to employees covered by VRS Plan 1 and Plan 2. Employee hired as a regular, full-time employee on or after January 1, 2014, or who transferred to regular, full-time status on or after after January 1, 2014, are covered under the VRS Hybrid Retirement Plan. See the previous section for information on the Hybrid Retirement Plan.

Visit VRS website, www.varetire.org for more details on the VRS retirement plans and the benefits.

1	Type of Plan	<p>Plan 1 and Plan 2 are defined benefit pension plans.</p> <p>A defined benefit plan, such as Plan 1 or Plan 2, provides a monthly retirement benefit based on age, total service credit, and average final compensation.</p>
2	Eligibility	Regular, full time City employees who are not covered employees under the Firefighters & Police Officers Pension Plan are members. (Part-time employees are not covered under VRS.) Participation is mandatory.
3	VRS Membership Date	<p>If hired as a full-time employee after September 30, 2012:</p> <ul style="list-style-type: none"> • The first of the month hired if begin work <u>on the first working day</u> (Monday-Friday) of the month. • The first of the following month if begin work <u>after the first working day</u> of the month hired. <p>The VRS membership date will be different than the above for employees who have an earlier VRS membership date due to prior VRS service and who have not taken a refund of their member contributions. Employees who received refunds of prior contributions also forfeited the service credit accrued.</p>
4	Type of VRS Member: Plan 1 or Plan 2	<p><u>Plan 2 Member</u> You are a Plan 2 member if you became a VRS member after June 30, 2010 or if you were a Plan 1 member who was not vested on January 1, 2013.</p> <p><u>Plan 1 Member</u> You are a Plan 1 member if you were a member prior to July 1, 2010 and you were vested on January 1, 2013.</p>

5	Normal Retirement Age	<p><u>Plan 2 (includes Plan 1 not vested on 1/1/2013)</u> Social Security Normal Retirement Age [66 – 67 depending on year of birth] with at least five years of service.</p> <p><u>Plan 1 vested on 1/01/2013</u> Age 65 with at least five years of service. <i>Plan 1 members not vested on January 1, 2013 became Plan 2 members on that date.</i></p>
6	Eligibility for Unreduced Retirement Benefit	<p><u>Plan 2 (includes Plan 1 not vested on 1/1/2013)</u> Social Security Normal Retirement Age with at least 5 years of service credit or when age and service credits equal 90 (Rule of 90).</p> <p><u>Plan 1 and vested on 1/01/2013</u> At least age 65 with at least 5 years of service credit or at least age 50 with at least 30 years of service credit. <i>Plan 1 members not vested on January 1, 2013 became Plan 2 members on that date.</i></p>
7	Eligibility for Reduced/Early Retirement Benefit	<p><u>Plan 2 (includes Plan 1 not vested on 1/1/2013)</u> Age 60 with at least 5 years of service credit.</p> <p><u>Plan 1 vested on 1/01/2013:</u> At least age 55 with at least 5 years of service credit or at least age 50 with at least 10 years of service credit. <i>Plan 1 members not vested on January 1, 2013 became Plan 2 members on that date.</i></p>
8	Employee (Member) Contributions	<p><u>Plan 2 and employees hired or re-hired after June 15, 2012</u> Contribute 5% to VRS (even if they are Plan 1)</p> <p><u>Plan 1 members and Plan 1 members who became Plan 2 members on January 1, 2013</u> Employees will contribute 4% of the 5% member contribution in FY 2016 and the City will contribute the additional 1% member contribution. The employee contribution rate is scheduled to increase 1% each July until reaching 5% on July 1, 2016. The City will also decrease its share of the member contribution by the same percent until employees are contributing the full 5% member contribution. City Council has the right to expedite increasing the employee share up to 5% before July 1, 2016. <i>Any Plan 1 member hired or rehired after June 15, 2012, will contribute the full 5% member contribution.</i></p>
9	Employer Contributions	<p><u>Plan 1 and Plan 2</u> The City also makes employer contribution to VRS for covered employees. The employer contribution rate is 9.81% through FY 2016. Additionally, the City may still be making part of the 5% member contributions that Plan 1 employees are not contributing at the present time.</p>

10	Vesting	<u>Plan 1 and Plan 2</u> Vesting is the minimum length of service needed to qualify for a retirement benefit, if you meet the age and service requirements for your plan. Employees who have accrued five years of service in VRS are vested. Purchased service counts toward vesting. Vested members are eligible to receive a monthly retirement benefit when they satisfy the age and service requirements. Members accrue one month of vesting service for each month contributions are paid to VRS.
11	Service Credit	Member accrues one month of service credit for each month contributions are paid to VRS.
12	Benefit Formula	<u>Plan 2 and Plan 1 not vested on January 1, 2013:</u> 1.65% multiplied by Average Final Compensation multiplied by years of service credit accrued after 2012 1.7% multiplied by Average Final Compensation multiplied by years of service credit accrued prior to 2013 <u>Plan 1 vested on 1/01/2013</u> 1.7% multiplied by Average Final Compensation multiplied by years of service credits <i>Plan 1 members not vested on January 1, 2013 became Plan 2 members on that date.</i>
13	Creditable Compensation	Monthly base salary City reports to VRS; excludes overtime, shift differential, bonuses, special pay, etc. Monthly base compensation is calculated by dividing annualized salary by 12 months.
14	Average Final Compensation	<u>Plan 2 (includes Plan 1 not vested on 1/1/2013)</u> Average of the highest consecutive 60 months of creditable compensation. <u>Plan 1 vested on 1/01/2013</u> Average of the highest consecutive 36 months of creditable compensation. <i>Plan 1 members not vested on January 1, 2013 became Plan 2 members on that date.</i>
15	Retirement Payment Options	At retirement, employees choose their payment option. Basic benefit pays you a lifetime monthly benefit; survivor benefit also provides a lifetime monthly benefit to your spouse or contingent annuitant after your death; Partial Lump-Sum Option Payment (PLOP) provides eligible employee (you must work 1, 2, or 3 full years after eligible for unreduced retirement) option to receive a lump sum payment plus a monthly benefit; Advance Pension Option allows you to temporarily increase your monthly benefit until receiving Social Security benefits.

16	Disability Retirement	<p><u>Plan 1 and Plan 2</u></p> <p>Members who are unable to perform job because of disability that is likely to become permanent may apply to receive a disability retirement benefit. VRS medical staff will determine if the application for disability retirement will be approved. If the Member is vested, the benefit is the higher of the VRS formula amount or the minimum guaranteed benefit. Non-vested member may only apply for the minimum guarantee benefit. The minimum guaranteed benefit ranges from 33 1/3% to 66 2/3% of the Average Final Compensation depending on whether disability is service related and if the member qualifies for Social Security benefits.</p>
17	Death Benefits Before Retirement	Beneficiary may receive a lump-sum payment of member's contribution account; spouse, minor child, or parent may elect to receive a monthly benefit. If death is work related both lump-sum and monthly benefit may be paid.
18	Termination Prior to Retirement	<p><u>Plan 1 and Plan 2</u></p> <p>Terminating members may request a refund of <i>member</i> contributions and interest. <i>Vested members</i> will receive <i>member</i> contributions they paid plus <i>member</i> contributions the City paid plus interest. <i>Non-vested members</i> will receive <i>member</i> contributions they paid plus any <i>member</i> contributions the City paid <i>prior to 7/1/2010</i> plus interest. Members who take a refund of contributions forfeit service credits and future pension benefits. Vested members may elect to leave contributions and service in plan and receive a monthly pension benefit at a later date when eligible. Non-vested members may elect to leave contributions and service in plan if anticipate will work for VRS covered employer in future.</p>
19	Cost of Living Adjustment (COLA)	Refer to the VRS web site, www.varetire.org . May be delayed for employees who have less than 20 years of VRS service at time retire and who are applying for an early, reduced retirement. Be sure to view the correct information for your type of member (Plan 1, Plan 2, or Hybrid Retirement Plan).
20	Purchase of Refunded and Other Prior Governmental Service	Refer to the VRS web site, www.vartire.org . Be sure to view the correct information for your type of member (Plan 1, Plan 2, or Hybrid Retirement Plan). There is a short period to purchase, or begin purchasing, at a <u>lower rate</u>.
21	VRS Contact Information	<p>Website: www.varetire.org Customer Contact Center: 1-(888) VARETIR (827-3847) 8:30 am – 5:00 pm</p> <p>Monday to Friday.</p>

Supplemental Retirement Plan “City Plan” Contract# 16741 Recordkeeping Administrator is Prudential		
1	Type of Plan	Defined benefit pension plan Note: There is a separate summary for Deputy Sheriffs, Medics, and Fire Marshals
2	Eligibility	<p>Regular, full time City employees and regular, part-time City employees who are scheduled to work at least 50% time and who are not covered under the Firefighters & Police Officers Pension Plan are participants.</p> <p>This is a separate plan from the Virginia Retirement System retirement plans. For regular, full-time employees this benefit is in addition to the benefit provided by VRS.</p> <p>For regular, part-time employees working at least 50% time, this is the retirement plan.</p> <p>Deputy Sheriffs, Emergency Medical Technicians, and Fire Marshals have a separate summary.</p>
3	Unreduced Retirement	At least age 65 with at least 5 years of Credited Service or at least age 50 with at least 30 years of Credited Service
4	Reduced Retirement	At least age 55 with at least 5 years of Credited Service
5	Contributions	<p><u>Employees who began participating after 6/30/2009</u> Employees contribute 2% and the City contributes 3.61% in FY 2016. Employees rehired after 6/30/2009 who previously withdrew employee contributions from the plan will also contribute 2%.</p> <p><u>Employees participating prior to 7/1/2009</u> City contributes 5.61% in FY 2016. Prior to 7/1/2009, 2% of the City-paid contributions were designated as employee contributions.</p>
6	Vesting	Vesting is the minimum length of service needed to qualify for a retirement benefit, if you meet the age and service requirements for your plan. Employees are vested when they accrue five years of service in the plan. However, <u>regular, full-time employees</u> 60 years of age or older are vested regardless of service. Employees accrue one month of vesting service for each full month worked.
7	Credited Service	Full time employees receive Credited Service for each month the City and/or employee makes a contribution. Part-time employees accrue Credited Service on a pro-rata basis determined by scheduled work hours.

8	Benefit Formula	<p><u>Service earned after 12/31/1987</u> 0.8% multiplied by Average Earnings multiplied by years of Credited Service earned after 12/31/1987,</p> <p><u>Plus, for service earned before 1/1/1988</u> The sum of (b)(1) and (b)(2) increased by (c). <u>(b)(1)</u>: 1.625% of Past Service Compensation up to \$100 plus 0.25% of Past Service Compensation in excess of \$100, multiplied by Years of Credited Service earned after 7/31/1960 but prior to 8/1/1979 PLUS <u>(b)(2)</u>: 1.625% of Participant's Average Earnings up to \$100 plus 0.25% of the Participants' Average Earnings in excess of \$100, multiplied by Years of Credited Service earned after 7/31/1970, but prior to 1/1/1988 <u>(c)</u>: increased by 50%</p>
9	Average Earnings	Highest average monthly earnings (excluding overtime, shift differential, bonuses, etc.) over any 36 consecutive full calendar months of Credited Service during the 180 full calendar month preceding retirement or termination
10	Retirement Payout Options	At retirement, employees choose their payment option. Options include life annuity, various life annuity and survivor/contingent annuitant options, lump-sum option
11	Termination Prior to Retirement	Terminating employee may receive a lump-sum distribution of the employee contributions that they paid plus any employee contributions that the City paid prior to 7/1/2009. Taking a payment will result in a forfeiture of service credits and any benefits at a later date. Vested employee may leave contributions and service credits in account and receive a monthly pension at a later date when eligible for retirement.
12	Cost of Living Adjustment (COLA)	Plan does not have a COLA provision
13	Death Benefits	Beneficiary receives a lump sum payment of any employee contributions plus applicable interest
14	Prior Service Buy-back	Not permitted
15	Disability Retirement	An active vested employee who is eligible for Social Security disability benefits may be eligible to receive a benefit five months after disability onset. The amount of the benefit is the same as the unreduced retirement benefit computed using the formula on the date of the member's disability. <i>Employees who retired under the Fire and Police Pension Plan with a disability retirement are not eligible to receive a disability benefit from this plan.</i>
16	Prudential Contact Information	<p>Website: www.prudential.com/online/retirement Toll Free Access 1-(877) PRU-2100 (778-2100) Interactive Voice Response service available 24 hours; retirement representatives available 8 am-9 pm ET Mon.-Fri.</p> <p>Please contact the City Finance Department Pension Administration Division staff for questions on Supplemental Retirement Plan benefits and eligibility.</p>

This is a summary of retirement benefits. The provisions of the plan documents will prevail in any instances where this summary differs from the plan document.
Plans are subject to change.

Revised 06/22/2015

Supplemental Retirement Plan Board

The Pension Board manages the investments of the Plan assets. The Board may also recommend benefit changes to the City Manager. The Employee Representatives are:

General Schedule Employees Representative: Shane Cochran, Marietta Robinson, Brenda D'Sylva, (Alternate), Lillian Vagnoni (Alternate)

Deputy Sheriff Representatives: Robert Gilmore and Valarie Wright (Alternate)

Medic/Fire Marshal Representatives: Nancy McFadden, Charles Curia (Alternate)

FORFEITURE OF RIGHT TO RETIREMENT BENEFITS

Employees terminated because of dishonesty, malfeasance, or misfeasance in office forfeit and cease to have any right to a retirement benefit under the Virginia Retirement System and the City of Alexandria Supplemental Retirement Plan.

457 Deferred Compensation Plan Employer Plan Number 300832 Administered by ICMA-RC		
1	Type of Plan	Deferred compensation plan
2	Eligibility	Permanent, full employees and permanent part-time employees scheduled to work at least 50% time
3	Contributions	<p>Voluntary plan; employees make pre-tax, payroll-deducted contributions. The City does not contribute to this plan.</p> <p>Minimum contribution of \$10 per pay period. Maximum deferral limit set by the IRS each year.</p> <p>Age-50 Catch-up provision allows employees who turn 50 or older in the current year to make additional contributions. The Pre-Retirement Catch-up provision may allow eligible participants to contribute even greater amounts within three years of their full retirement date in a City sponsored pension plan.</p>
4	Vesting	100% immediate vesting
5	Distributions	After separation from service employee has a variety of withdrawal options. Required minimum distributions must begin the later of April 1 following the year after the employee turns 70 ½ years old or after the employee leaves City employment. All withdrawals are subject to federal and state taxes.
6	In-service Distributions	Loans with some restrictions; withdrawals for unforeseeable emergencies subject to IRS rules
7	Death Benefits	Beneficiary has option of receiving installment payments, deferred payments, or lump sum payment; spouses may roll over to an IRA or an employer's retirement plan
8	To Request an Enrollment Kit	Call the Pension Division at 703.746.3882 or email Retirement@alexandriava.gov . Be sure to provide your department name and City mailbox so a packet can be sent to you via City mail.
9	ICMA-RC Contact Information	<p>Website: http://icmarc.org Investors Services: 1-(800) 669-7400 8:30 a.m.-9:00 p.m. ET Mon.-Fri.</p> <p>For an appointment to discuss your investments call Gloria Moody at 1-(866) 328 4666</p>

Payroll Deduction Roth IRA with ICMA-RC		Plan Number 705691	Administered by ICMA-RC
1	Type Plan	Individual retirement savings plan with ICMA-RC that the City allows employees to make contributions through payroll deductions; not a City sponsored retirement plan.	
2	Eligibility	Regular, full-time and regular part-time employees scheduled to work at least 50% time Employee enrolls with ICMA-RC and also submits a payroll deduction form to the Pension Division	
3	Contributions	Voluntary employee after-tax, payroll deducted contributions , no minimum contribution amount. No employer match.	
4	Maximum Contribution Limit	In general, the maximum contribution limit is \$5,000 per calendar year (\$6,000 if 50 or older); however, each person has a maximum contribution limit that is determined by their modified adjusted gross income, annual limit, and age; also may be limited by amount contribute to a Traditional IRA during the calendar year	
5	Withdrawals	After-tax contributions may be withdrawn at any time. Earnings withdrawn before you are 59 ½ years old and prior to being held in the account at least five years may be subject to a 10% early distribution penalty tax. Contact ICMA-RC or see the Vantagepoint Payroll Deduction IRA Enrollment Package for more details on withdrawals and penalty-free withdrawals.	
6	Request a Kit	Email Retirement@alexandriava.gov with your department name and City mailbox so a packet can be sent to you via City mail.	
7	ICMA-RC Contact	Website: http://icmarc.org Investors Services: 1-(800) 669-7400 8:30 a.m. – 9:00 p.m ET Mon.-Fri. For an appointment to discuss your investments call Gloria Moody 1-(866) 328-4666	

Other City Benefits Administered by the Human Resources Department Benefits Division

The Human Resources Department administers all other benefits provided by the City. Visit the Human Resources web site at <http://alexandriava.gov/HR> to learn more about these benefits which include:

- health, life and dental insurance;
- annual, sick, and holiday leave;
- disability benefits while an employee;
- long term care insurance;
- employee assistance; and
- flexible spending accounts.

You may also speak to a member of the Human Resources Benefits staff by calling 703.746.3777.